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RUEHBY/AMEMBASSY CANBERRA PRIORITY 2502
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RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

UNCLAS SECTION 01 OF 05 KUALA LUMPUR 000193

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SUBJECT: MALAYSIA'S NEW CABINET -- MINISTERIAL PORTFOLIOS

REF: A. KUALA LUMPUR 184 - POST-ELECTION SCENE
[1](#)B. KUALA LUMPUR 178 - ELECTION AFTERMATH
[1](#)C. KUALA LUMPUR 163 - CRUNCHING BN'S NUMBERS

[1](#)1. (U) Summary: Prime Minister Abdullah Badawi on March 18 announced Malaysia's new cabinet. This message provides a brief summary of each cabinet-level appointment, focusing particularly on changes and newcomers. Septel provides Post's initial overall impressions of the new cabinet. End Summary.

Prime Minister's Department

[1](#)2. (SBU) Abdullah announced that Najib Tun Razak would remain his Deputy Prime Minister, and he further appointed the following Ministers in the Prime Minister's Department: Bernard Dompok, President of the United Pasok Momogun Kadazandusun Organisation (UPKO) and Minister in the Prime Minister's Department since 1999; Mohamed Nazri Aziz, member of UMNO Supreme Council and Minister in the Prime Minister's Department since 2004; Dr. Ahmad Zahid Hamidi, former Deputy Minister of Information and former UMNO Youth Chief; Mohd Zaid Ibrahim, former Member of Parliament (MP) from Kota Bahru, Kelantan, and founding director of Malaysia's largest law firm; and Amirsham Abdul Aziz, who previously served as a Deputy Minister in the Prime Minister's Department, and was the former CEO of Malayan Banking Bhd (Maybank). Most significant of these appointments is Zaid Ibrahim, a reform-minded attorney who frequently found himself at odds with Abdullah's previous administration. Zaid spent some 18 months suspended from UMNO and from his position as UMNO Division Chief for Kota Bahru after criticizing the UMNO Disciplinary Board before Parliament. Abdullah announced that Zaid would hold the law portfolio with the specific duty of reforming the judiciary.

Finance

[1](#)3. (U) There was no change in the senior leadership of the ministry as Abdullah announced that he would retain the position of Minister of Finance, and he reappointed Nor Mohamed Yakcop as Second Minister of Finance.

Defense

[1](#)4. (U) Deputy Prime Minister Najib Abdul Razak was reappointed as Minister of Defense, a position he has held since 1999.

Internal Security and Home Affairs (Combined)

15. (SBU) As part of his reorganization of the cabinet, Abdullah announced that he was merging the ministries of Internal Security and Home Affairs back into one ministry. Stepping down as Minister of Internal Security, Abdullah appointed former Minister of Foreign Affairs Syed Hamid Albar as the new minister of the combined ministries. In an apparent attempt to reinforce significant control over the ministry, we note that Abdullah also appointed his former Political Secretary, Senator Wan Ahmad Farid Wan Salleh as Deputy Minister. Press reports have publicly associated Wan Farid with Abdullah's son-in-law Khairy Jamaluddin.

International Trade and Industry

16. (SBU) UMNO Vice President and former Minister of Agriculture Muhyiddin Yassin was appointed as the new Minister of International Trade and Industry, replacing long-time Minister Rafidah Aziz. Muhyiddin should represent a sense of continuity in US-Malaysian trade relations. He has expressed support for a US-Malaysian Free Trade Agreement (FTA) with U.S. officials in the past as Agriculture Minister. However, in his Agriculture role he also pushed several measures that are probably inconsistent with WTO obligations.

Foreign Affairs

17. (SBU) With Syed Hamid Albar's transfer to the Ministry of Internal Security and Home Affairs, Abdullah appointed Dr.

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Rais Yatim as the new Minister of Foreign Affairs. Dr. Rais, age 65, most recently served as Minister of Arts, Culture and Heritage, but had a one-year stint as Foreign Minister from 1986 to 1987. Dr. Rais holds a Ph.D. in Law from the University of London. His proper title and salutation for correspondence is "Yang Berhormat Datuk Seri Utama Dr. Rais Yatim." Post will forward a complete biography separately.

Education

18. (U) The leadership of the Ministry of Education remained unchanged as UMNO Youth Chief Hishamuddin Hussein was reappointed Minister of Education. Hishamuddin's position as Education Minister was virtually guaranteed given his recent election to the UNESCO Board.

Higher Education

19. (U) Former Minister of Entrepreneurial and Cooperative Development Mohamed Khaled Nordin was reappointed to the cabinet as the new Minister of Higher Education. Khaled was first elected to Parliament in 1990 and has been a member of UMNO's Supreme Council since 2004.

Housing and Local Government

110. (SBU) Abdullah continued the tradition of naming a senior member of the Malaysian Chinese Association (MCA) as the Minister of Housing and Local Government appointing MCA Secretary General Ong Ka Chuan. Older brother of MCA

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President, Ong Ka Ting, Ka Chuan was absent from elected office after a stunning defeat in 2004 by Fong Po Kuan of the Democratic Action Party (DAP). Ka Chuan was elected to the new Parliament after switching to a "safer seat" in Perak.

Public Works

¶11. (U) Abdullah promoted Mohd Zin Mohamed from the deputy position to become Minister. By appointing Mohd Zin, Abdullah kept a sense of continuity in the ministry that saw the rapid political demise of its previous minister, Malaysian Indian Congress (MIC) president Samy Vellu.

Energy, Water and Communications

¶12. (SBU) Abdullah appointed former Deputy Minister Shaziman Abu Mansor to succeed retiring Gerakan party President and Minister Lim Keng Yaik, in the Ministry of Energy, Water and Communications. Notably controversial in Malaysia's internet world, as Deputy Minister Shaziman espoused national registration of all bloggers, and even opined that a particular blogger "could face action including being charged under the Sedition Act if the article contained elements of slander" following a report about PM Abdullah nearly fainting while delivering a speech.

Agriculture and Agro-based Industry

¶13. (SBU) Abdullah appointed former Minister of Higher Education Mustapha Mohamed as the new Minister of Agriculture. Mustapha has been a member of UMNO's Supreme Council since 1993, and following BN's poor showing in the 2008 elections, is one of only two remaining BN MPs from Kelantan. Mustapha reportedly has no agricultural background.

Transportation

¶14. (U) Former Deputy Minister of Higher Education in the previous cabinet, Ong Tee Keat has been appointed Minister of Transportation. Ong is one of the four Malaysian Chinese Association's (MCA) Vice Presidents and a Member of Parliament from Selangor since 1989. MCA has traditionally been allocated the Transportation Ministry and Ong replaced the party's Deputy President Chan Kong Choy who did not seek reelection. Ong was a former US international visitor program participant.

Human Resources

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¶15. (U) Abdullah appointed S. Subramaniam as Minister of Human Resources. Subramaniam is the Secretary General of the Malaysian Indian Congress (MIC) and the sole Indian representative in the Cabinet replacing party President Samy Vellu (the former Works Minister) who lost his parliament seat in the March 8 general election. A Member of Parliament from Johor since 2004, he was the Parliamentary Secretary at the Ministry of Housing and Local government in the previous cabinet. The Deputy Minister of Human Resources is Noraini Ahmad, the UMNO Puteri Chief who is a newly elected Member of Parliament from Johor.

Women, Family and Community Development

¶16. (U) Dr. Ng Yen Yen has been appointed the Minister of Women, Family and Community Development, replacing UMNO's Shahrizat Abdul Jalil who lost her parliament seat in the March 8 general election. Ng is the MCA Women Chief since ¶1999. She was the Deputy Minister of Finance (2003 - 2008), as well as the Deputy Minister of Culture, Arts, and Tourism (1999-2003). She has been a Member of Parliament from Pahang since 1999 and was a former US international visitor program participant.

National Unity, Culture, Arts, and Heritage (Combined)

¶17. (U) As a part of his cabinet reorganization, Abdullah merged the National Unity Ministry (which was under the Prime Minister's Department) and the Culture, Arts, and Heritage Ministry, appointing Shafie Apdal as the new minister. Shafie was the former Minister of Domestic Trade and Consumer Affairs. Under the merger, he replaced Dr. Maximus Ongkili (National Unity) and Rais Yatim (Culture, Arts and Heritage). An UMNO Supreme Council member, Shafie has been a Member of Parliament from the East Malaysian Borneo state of Sabah since 1995.

Science, Technology, and Innovation

¶18. (U) Abdullah has replaced Dr. Jamaluddin Jarjis with Dr. Maximus Ongkili as the minister of Science, Technology, and Innovation. Maximus was the former Minister in the Prime Minister's Department in charge of National Unity. He is the Deputy President of Sabah Unity Party (PBS) and has been a Member of Parliament from the East Malaysian Borneo since ¶2004.

Entrepreneurial and Cooperative Development

¶19. (SBU) Noh Omar replaced Khalid Nordin as the Minister of Entrepreneurial and Cooperative Development. Noh was the former Deputy Minister of Education (2006 - 2008) and Deputy Minister of Internal Security (2004 - 2006). An UMNO Supreme Council member, Noh Omar has been a Member of Parliament from Selangor since 1995.

Natural Resources and Environment

¶20. (U) In the Ministry of Natural Resources and Environment, Abdullah appointed Douglas Unggah Embas to replace Azmi Khalid, whom the PM dropped from the Cabinet. Douglas was the former Deputy Minister of Transportation (2004 - 2008) and has served as a Deputy Minister in the PM's Department (1999 - 2004). He is one of the two senior Vice Presidents of the United Sarawak Native Inheritance Party (PBB) and has been a Member of Parliament from the East Malaysian Borneo state since 1986.

Rural and Regional Development

¶21. (SBU) Senator Muhammad Muhd Taib was appointed as the new Minister of Rural and Regional Development, replacing Abdul Aziz Shamsuddin who lost his seat in the March 8 general election. Muhammad has served as the UMNO Information Chief since 2004. A former Chief Minister of Selangor, Muhammad is an influential UMNO grassroots leader. He abruptly resigned as Chief Minister following his arrest by Australian authorities for carrying a large sum of unreported cash into Australia; he was later acquitted of all charges. The Deputy

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Minister is Joseph Kurup who is the President of the Sabah United Peoples Party (SUPP), a minor component party of the BN.

Domestic Trade and Consumer Affairs

¶22. (SBU) Former President of the BN Backbenchers Club (BBC) and outspoken leader of the Public Accounts Committee, Shahrir Samad was appointed as the new Minister of Domestic Trade and Consumer Affairs. Shahrir is a veteran UMNO politician from Johor. In 2006, Abdullah removed Shahrir from his position as President of the BBC when Shahrir supported an opposition motion to investigate corruption

charges against another UMNO parliamentarian. An UMNO Supreme Council Member, Shahrir has served in the Cabinet in the 1980s as the Minister of Federal Territories (1983 - 86) and Minister of Welfare (1986-87).

Plantation Industries and Commodities

¶23. (U) Peter Chin Fah Kui one of the few Cabinet Ministers who retained their old portfolio and remains the Minister of Plantation Industries and Commodities. He a veteran politician from Sarawak representing the Sarawak United People's Party (SUPP) in the Cabinet. He has been a Member of Parliament from the East Malaysian Borneo state since 1986.

Youth and Sports

¶24. (U) Ismail Sabri Yaakob is one of the new faces in the Cabinet. As the new Minister of Youth and Sports, he replaces Azalina Othman who is the new Minister of Tourism. He has served as a Member of Parliament from Pahang since ¶2004.

Health

¶25. (U) Abdullah has appointed Liow Tiong Lai as the new Minister of Health. Tiong Lai is the MCA Youth Chief and was the former Deputy Minister of Youth and Sports. The Health Ministry is traditionally allocated to the MCA, and Liow replaced party Vice President Chua Soi Lek who resigned over a sex scandal prior to the March 8 general election. Liow has been a member of Parliament from Pahang since 1999.

Information

¶26. (SBU) Ahmad Shabery Cheek has been named the new Minister of Information, replacing Zainuddin Maidin who lost his parliament seat in the March 8 general election. Shabery was the Parliamentary Secretary at the Ministry of Foreign Affairs in the previous Cabinet. He has been a Member of Parliament from Terengganu since 2004 and was a former US international visitor program participant.

Tourism

¶27. (SBU) As the Minister of Tourism, Azalina Othman replaced Tengku Adnan Mansor, who was dropped from the Cabinet. Azalina was the Minister of Youth and Sports in the previous Cabinet. An UMNO Supreme Council member and the former UMNO Puteri Chief, Azalina has been a Member of Parliament from Johor since 2004. Some have touted Azalina as a contender for the UMNO Wanita Chief position in the next party election. Sulaiman Abdul Rahman Abu Taib, the son of Sarawak Chief Minister Abdul Taib Mahmud, was also appointed as Deputy Tourism Minister. Sulaiman previously served as the CEO of RHM Bank when the Taib family held a majority stake in the firm. There was significant controversy around his management of the bank which led minority shareholders to take their complaints to Bank Negara. Bank Negara Governor Zeti later demoted him to a director of the bank, and the Taib family eventually sold off their shares.

Ministry of Federal Territories

¶28. (U) Minister of the Federal Territories Zulhasnan Rafique is one of the few Cabinet Ministers who retained his old portfolio. He is the UMNO Federal Territories Liaison Chief

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and an UMNO Supreme Council Member. He has been a member of parliament from Kuala Lumpur since 1999.

